

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Paoling Provision STANDARD LEASE v.6

PAID UP OIL AND GAS LEASE (No Surface Use)

☑HIS LEASE AGREEMENT is made this	day of	May	, 200	08, by and betweeп
Kaza Ti Man	D.B.A. God	od hvole	Properties	
whose addresss is 905 Coocand, DALE PROPERTY SERVICES, L.L.C., 2 hereinabove named as Lessee, but all other properties. In consideration of a cash bonus in described land, hereinafter called leased premi	ovisions (including the completion hand paid and the covenants h	Dallas Texas 75201, as of blank spaces) were pr	repared jointly by Lessor an	as Lessor, s of this lease were prepared by the party d Lessee. I lets exclusively to Lessee the following
1225 ACRES OF LAND, MOR OUT OF THE Trent man FOR Worth IN VOLUME 386-6	E OR LESS, BEING LOT(RELISSION TARRANT CO PAGE PAGE	(S) OUNTY, TEXAS, A OF THE PLAT	ADDITION, ACCORDING TO THA RECORDS OF TARI	, BLOCK AN ADDITION TO THE CITY OF IT CERTAIN PLAT RECORDED RANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, coreversion, prescription or otherwise), for the publishances produced in association therewith commercial gases, as well as hydrocarbon galland now or hereafter owned by Lessor which Lessor agrees to execute at Lessee's request a of determining the amount of any shut-in royalti	ourpose of exploring for, developing (including geophysical/seismic ses. In addition to the above-der are contiguous or adjacent to the any additional or supplemental ins	ing, producing and mark operations). The term scribed leased premises, a above-described leased struments for a more com	eting oil and gas, along w "gas" as used herein ind this lease also covers acc f premises, and, in conside plete or accurate descriptio	ith all hydrocarbon and non hydrocarbon ludes helium, carbon dioxide and other retions and any small strips or parcels of ration of the aforementioned cash bonus, n of the land so covered. For the purpose
2. This lease, which is a "paid-up" lease as long thereafter as oil or gas or other substate otherwise maintained in effect pursuant to the particles and other substate of the production of the substate parated at Lessee's separator facilities, the Lessor at the wellhead or to Lessor's credit at the wellhead market price then prevailing in the prevailing price) for production of similar graph production, severance, or other excise taxes at Lessee shall have the continuing right to purch no such price then prevailing in the same field the same or nearest preceding date as the dat more wells on the leased premises or tands posare waiting on hydraulic fracture stimulation, but there from is not being sold by Lessee, then Lessor's credit in the depository designated by the well or wells are shut-in or production is being sold by Lessee from another well or veliciously designated of selegated by Lessee from another well or veliciously designated or sold by Lessee from another well or veliciously designated or sold by Lessee from another well or veliciously designated or sold by Lessee from another well or veliciously designated or sold by Lessee from another well or veliciously designated or sold by Lessee from another well or veliciously designated or sold by Lessee from another sold by Lessee from an	nces covered hereby are produce provisions hereof. ances produced and saved hereu royalty shall be Twelley. The oil purchaser's transportation he same field (or if there is no suade and gravity; (b) for gas (inc. 4 %) of the proceeds realized in the costs incurred by Lessee hase such production at the prevail, then in the nearest field in which e on which Lessee commences it olded therewith are capable of eithet stuch well or wells are either shues for the purpose of maintaining Lessee shall pay shut-in royalty of the purpose of maintaining there from is not being sold by Leyells on the leased premises or levels.	In paying quantities from the paid by Lessee from the inderivering, processing illing wellhead market price there is such a pravailing wellhead market price there is such a pravailing the producing oil or gas out in or production there is this lease. If for a period of one dollar per acre the species provided that if the production of the essee; provided that if the production that if the production of the production and there essee; provided that if the production of the production of the production and there essee; provided that if the production of the production of the production and there essee; provided that if the production of	m the leased premises or the same to Lessor as follows:	(a) For oil and other liquid hydrocarbons ion, to be delivered at Lessee's option to huing right to purchase such production at the nearest field in which there is such a es covered hereby, the royalty shall be nortionate part of ad valorem taxes and ch gas or other substances, provided that nilar quality in the same field (or if there is arable purchase contracts entered into on primary term or any time thereafter one or I hereby in paying quantities or such wells used, such well or wells shall nevertheless uch well or wells are shut-in or production such payment to be made to Lessor or to niversary of the end of said 90-day period maintained by operations, or if production use until the end of the 90-day period next
terminate this lease. 4. All shut-in royalty payments under this	s lease shall be paid or lendered	to Lessor or to Lessor's	credit in at lessor's addre	ess above or its successors, which shall

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in <u>at lessor's address above</u> or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 60 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel, based on 24-hour production "means an oil well in which the horizontal component of the gross completion interval in facilities or equivalent testing equipment;

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises

The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the is, the interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee Inay pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder. Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either iointly or nereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedents estate in the depository designated above. In at any time who or interpretation to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lesse, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lesse or any depths or zones they area (shull thereupon be relieved of all obligations thereafter arising with respect to the interest so released.

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in contracting the contraction of the area covered hereby.

in accordance with the net acreage interest retained hereunder.

in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells. disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted except water from Lessar's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including welt casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause n

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default and Lessee fails to (n. so.)

time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's

eirs, devisees, executors, administrators, successors and assigns, wh	GUET OF HOLEHIE ISSUE HER DOOM CACCAGO	as 27 an portion notations are access.
ESSOR (WHETHER ONE OR MORE)		
Raza Mian	Ву:	
	ACKNOWLEDGMENT	KAREN MIMS Notary Public STATE OF TEXAS
STATE OF 1EXUS	MONITORALLOGRICATI	My Comm. Exp. Dec. 12, 2011
COUNTY OF TAY CANT This instrument was acknowledged before me on the grant of the control of th	h day of May	, 2008,
-1 1	Kar	en mins
	Notary Public Notary's nam Notary's com	
TATE OF		
COUNTY OF This instrument was acknowledged before me on the y:	day of	, 2008,



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

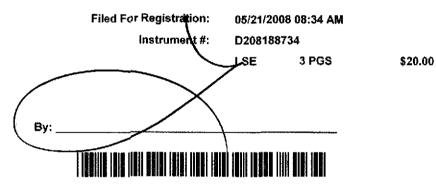
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D208188734

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Printed by: CN